

INDIAN CASES:

INFRINGEMENT SKULLCANDY CAN NEVER BE HANDY

M/s SKULLCANDY INC Vs M/s SHINE STAR & ANR

On 1st April, 2015 the Delhi District Court recently heard the case of *Skullcandy Inc., vs. M/s Sine Star & Anr* wherein the Court passed an order of Permanent Injunction in favor of the Skullcandy i.e. (the Plaintiff) and awarded damages at INR. 35, 000/- from each of the Defendants.

Skullcandy is recognized for its quality produced ear-phones and headsets among the general masses. Products sold under the skull insignia are immediately associated with Skullcandy for which it holds a copyright. Recently Skullcandy was made aware of the Defendants activities of selling ear-phones and head-sets bearing the skull insignia of Skullcandy at New Delhi in India. After conducting an investigation of its own, Skullcandy instituted the present suit at the Delhi District Court against the Defendant's.

During the initial stage proceedings of the case Skullcandy had made an application for the appointment of a Local Commissioner in order to conduct an investigation of the Defendants premises, the said application was approved by the Court. The Local Commissioners investigation of the Defendants revealed and confirmed the fact that the Defendants were in deed selling goods bearing the Skullcandy trademark.

In the present case there are five defendant who have been included in the suit by Skullcandy. None of whom appeared for the suit proceedings except for Defendant No. 4, whose contention for defense was based on the fact that they were not producers of any of the goods bearing Skullcandy's trademark but were retail sellers of small scale electronics goods. However the Court refuted Defendant No. 4's defense and since Skullcandy was able to establish its case the Delhi District passed the restraintment order.

TO PROTECT ITS BRAND LUMAX BURNS DOWN THE TRACKS

M/s LUMAX INDUSTRIES LTD Vs M/s LUMAX LIGHTS

On 1st April, 2015 the Delhi District Court passed an interesting conclusion to the case *M/s Lumax Industries Ltd vs. M/s Lumax Lights*, wherein the Court passed a permanent injunction order in favour of the Plaintiff and restrained the Defendant from adopting and/or passing off its goods under the similar brand name i.e. LUMAX, the court further awarded damages to the tune of INR.60,000/-. However the Court denied the request of the Plaintiff to authorize its representatives to ensure destruction of any deceptively similar goods or products under the possession of the Defendant.

It was alleged by Lumax Industries i.e. (the Plaintiff) that when they found out about Lumax Lights i.e. (the Defendant) activities of selling lightings and bulb related products under the deceptive brand name “LUMAX LIGHTING” the Plaintiff tried warning the Defendant by sending notices, asking it to immediately cease and desist from its activities of selling goods under the similar trademark as that of Lumax Industries. The Defendant never complied with the demand of Lumax Industries from ceasing its infringing activities nor ever replied to its notices.

After having exhausted all options, Lumax Industries instituted a formal legal suit against Lumax Lightings. Once the suit got officially instituted Lumax Lightings sent a notice to the court carrying an undertaking and promising to stop using the impugned brand name for its business activities.

The Delhi District Court however took an opposite view to the Defendants promise and gave the opinion that any party by simply giving an undertaking and promising to never repeat an offence does not absolve itself from its liability of violating the law. As a result, the Court provided its order on the matter and Lumax Industries was able to protect its trademark to the maximum.

RE-USE MAY SAVE THE PLANET BUT NOT AN
INFRINGING TRADEMARK

COBRA BEER PARTNERSHIP LTD & ANR vs. SUPERIOR INDUSTRIES LTD

Recently on 8th April, 2015 the Delhi High Court encountered an interesting case and delivered an equally interesting judgment over the trade practice of re-using products embossed with the initial trader's logo in the case *Cobra Beer Partnership Ltd & Anr vs. Superior Industries Ltd.*, wherein the Delhi High Court passed a permanent injunction restraining Superior Industries from re-using Cobra Beer's bottles.

Both Cobra Beer and Superior Industries were in the same line of trade of producing and selling beer. Cobra Beer instituted the present suit after it was found that, Superior Industries were selling its own produced beer in the same bottles that were manufactured by Cobra Beer's bearing embossed trademark "Cobra" and "King Cobra" by covering them up in a different packaging of its own.

In the present case, the Delhi High Court stated that by simply covering the embossed logo on the beer bottles with a different packaging of its own, Superior Industries Ltd i.e. (the Defendant) would still be committing the act of infringement over Cobra Beer's i.e. (the Plaintiff) trademark. Since the bottles are embossed it would not be possible to remove the initial trader's logo and the packaging placed on the bottles by Superior Industries can be removed by consumers simply by tearing them off, thus making Cobra Beer's mark visible and leading to confusion among the masses as to the origin of the goods.

It was contended by Superior Industries that in order to save costs they purchased beer bottles from 'Kabadies' (Scrap Dealer), sterilized the bottles and sold their beers in them by covering the entire bottle in their own packaging. It was claimed to be a common practice engaged in by all other manufacturer's in the similar line of trade including the Cobra Beer. However the Court refuted this stand taken by Superior Industries and held it to be an act of infringement under the Indian Trademark laws.

HAWKINS PROTECTS ITS COPYRIGHT LIKE A HAWK

HAWKINS COOKERS LTD .vs. KHAITAN PRESSURE COOKER PVT. LTD

On 10th April, 2015 the Calcutta High Court recently dealt with a case of copyright infringement of the artwork contained within a logo in the case *Hawkins Cookers Limited vs. Khaitan Pressure Cooker Pvt. Ltd.*, wherein the Court passed an order of permanent injunction and thus restraining Khaitan Pressure Cookers from adopting any logo and/or any artwork to logo that may be construed to be similar to that of Hawkins. The present case also observed discussion regarding the affordability of protection to Copyrighted artwork if it has been used in the industrial process more than 50 times.

Interesting enough the present suit is filed on Copyright, it's curious to note as to why Hawkins had not filed the suit under trademark law as it would have been beneficial to their interests. In the present case, Hawkins i.e. (the Plaintiff) and Khaintan i.e. (the Defendant) are engaged in the same line of trade i.e. producing pressure cookers. It was claimed by Hawkins in the suit that Khaitan had copied their logo as is and is operating under the same which can be construed to be an act of copyright infringement since it bears similarity to the logo's artwork of Hawkins mark. The logo adopted by the Hawkins contains two red semi circles with a white space in between having the trademark name 'HAWKINS' on it and it is alleged that Khaintain's logo was infringing upon the Hawkins's copyright by adopting a similar logo.



(Plaintiff's logo)



(Defendant's logo)

It was brought on record and taken note of by the Court, that Khaitan had made an application for cancellation of Hawkins Copyright over its logo; however by an order dated 15th July, 1998 the Copyright Board rejected the said application. During the Court proceedings Khaintan stated that Hawkin's logo is not entitled to have copyright protection as it has been used in the industrial processes over 50 times as per the provision under section 15 of the Copyrights Act.

I may be possibly that the Defendant i.e. (Khaitan Pressure Cookers) did not understand that producing a logo on a product may not be the same as using an artwork in building a product in the industry process, which would in turn strip it of its copyright registration. With that said it must be pointed out that an owner of any artistic work cannot be barred from claiming exclusivity over his work of art, as has been well stated by the Court.

**DEFAME SOMEONE ON THE NET, A LAW SUIT IS WHAT
YOU'LL GET**

M/s ABHINAV OUTSOURCING PVT LTD. Vs SUDEEP JADHAV & ANR

Recently the Indian Supreme Court in 2015 had repealed Section 66A of the Information Technology (IT) Act that dealt with offensive material being put on internet forums that may cause grievance and annoyance to persons affected. The concept of defamatory material being posted on the World Wide Web also has implication within the Indian Penal Code (IPC) under Section 499. The present case though was not instituted with reference to the same Acts, it definitely bears importance from damage to trademark perspective.

The Delhi High Court decreed the present case on 6th May, 2015 by awarding damages in favor of the Plaintiff and directing the Defendant to remove all defamatory contents posted by him on the internet. In the present case the Abhinav Outsourcing is an immigration consultancy firm that assists its clients with immigration and travel document procedures. Mr. Sudeep Jadhav i.e. (the Defendant) was a client of Abhinav Outsourcing and was looking to permanently migrate to Canada; however the same could not happen as Mr. Jadhav failed the IELTS English Language test. After this, Mr. Jadhav took to the internet and posted defamatory comments about the Plaintiff and its business concern, such as “Abhinav Immigration services, it’s a fraud company”. Following which M/s Abhinav Immigration filed the present suit.

The Delhi High Court took note of the fact, that the Plaintiff was merely a consultant in the present case and is not the migration or visa office itself. Mr. Jadhav not being able to qualify to migrate to Canada in the proper procedure was

his own fault and no one else's as said by the Court. During the suit proceedings the defendant never appeared as a result the Delhi High Court proceeded *ex parte* and decreed the suit in favor of M/s Abhinav Outsourcing as they had proved that damage had been caused upon their good-will and brand reputation.

ACID ATTACK

GLAXO GROUP LTD & ANR VS. S.D. GARD & ANR.

When it comes to determining whether two trademarks are similar or dissimilar, all available tests must be applied in order to determine similarity including Phonetic, Visual, logo and the class which it is registered in.

On 12th May, 2015 the Delhi High Court decided the question of the scope of similarity borne between the marks 'ZINETAC' owned by Glaxo and 'GENTAC' owned by S.D. Gard in the case of *Glaxo Group Ltd & Anr vs. S.D. Gard & Anr.*

In the present suit, Glaxo had instituted the suit before the Delhi High Court and claimed that the mark owned by S.D. Gard i.e. GENTAC is deceptively similar to the trademark owned and operated by the Glaxo itself i.e. ZINETAC. It was submitted before the Court that both parties were engaged in the same line of trade and have encountered each other in similar fashion before in a previous suit wherein the Defendant was restrained by an order of the Court over the use of the trademark then in question BETNOVATE.

S.D. Gard i.e. (the Defendant) in the present suit claimed that both products of the parties are schedule **H** drugs and can only be procured through valid prescription. While Glaxo's i.e. (the Plaintiff) product is in the form of a tablet S.D. Gard's product is in the form of an injection vial thus removing all or any chance of confusion between the two products and its marks.

However, as per the Court both products of the parties to the suit contained Ranitidine Hydrochloride, which is used in the treatment of gastric ailments (acidity) and while it is true that the products cannot be purchased without a valid prescription there is a possibility that a lesser educated man with lesser developed

literacy skills may get confused between the two as both marks are phonetically similar though they may not be visually similar. Based upon these facts the Delhi High Court concluded that the trademark of S.D. Gard i.e. GENTAC is similar to that of the Glaxo Group i.e. ZINETAC.

‘Y = V’ CAN BE SO HARD TO SEE

KASHI VISHWANATH STEELS Vs M/s KYS MANUFACTURER & EXPORTER PVT LTD.

The Delhi High Court recently on 20th May, 2015 concluded a trademark infringement matter wherein the similarity between the two trademarks “KVS” owned by Kashi Vishwanath Steels i.e. (the Plaintiff) and “KYS” owned by KYS Manufacturer i.e. (the Defendant) was questioned in the case *Kashi Vishwanath Steels vs. M/s KYS Manufacturer & Exporter Pvt. Ltd.*

However, before the matter could be settled regarding the similarity between the two trademarks the Defendant stopped appearing before the court, as a result the Court proceeded *ex parte* and passed a decree of permanent injunction in favour of the Plaintiff (KVS) along with damages to the tune of INR. 1, 00, 000/-.

The present suit was first brought to light in August 2009 when Kashi Vishwanath Steels was informed of KYS Manufacturers activities of producing steel bars under the trademark ‘KYS’ which bears similarity with its own trademark ‘KVS’, following which the Kashi Vishwanath filed suit against KYS Manufacturers before the Delhi High Court. During the initial suit proceeding KYS Manufacturer’s had claimed that the two marks ‘KVS’ and ‘KYS’ are dissimilar to each other and more so that they are prior user of the mark KYS in the market in their Written Statement submissions. Once the issues were framed by the Court, KYS Manufacturer’s stopped appearing before the Court for the suit proceedings. As a result the issue regarding KYS Manufacturer’s being prior users of its mark ‘KYS’ could never be addressed and/or established by Court. Casing the Court to proceed *ex parte* and restraining KYS Manufacturer’s in the suit.

INFRINGING DECCAN IS NOT ON

DECCAN EDUCATION SOCIETY, PUNE Vs DECCAN EDUCATION SOCIETY
(Regd.)Gulbarga

Recently in the month of May the Pune District Court heard the case of *Deccan Education Society (D.E.S), Pune vs. Deccan Education Society (Regd.) Gulbarga*. Wherein the Court passed an order of permanent injunction and thus restraining the Defendant in the case from further infringing on the Plaintiffs right and also awarded costs.

In the present case it was established by Deccan Education Society, Pune i.e. (the Plaintiff) that they had been continuously operating under the same trademark since 1884 and had even acquired a registration for the same under Class 41 for educational services. In 2007 it was brought to the attention of Deccan Education Society, Pune about the infringing activities of the Defendant's i.e. (Deccan Education Society (Regd.) Gulbarga) of its registered trademark in the State of Karnataka in India. As a result Deccan Education Society, Pune instituted a suit of infringement in the District Court of Pune. During the Suit the Defendant submitted that they had been established in the year 1993 and had been operating since; however the Court placed no importance on this contention as Deccan Education Society, Pune had established itself as a prior user of the mark in question in the eyes of the Court.

The Defendant raised three grounds in their defense, as follows:

- a) Deccan Education Society, Pune is registered under two Acts and holds double status i.e. one as a Society and one as an Educational Trust.
- b) Deccan Education Society, Pune offers no educational courses that may be construed to be similar to the educational services offered by the Defendant.
- c) Since Deccan Education Society, Pune was registered from the Trademark Registry office in Mumbai in the state of Maharashtra they had vested rights only within that specific territory.

To the first defense the Court stated that the fact of being registered under two Acts as a society and a Trust had no bearing in the case, as the case was in respect of trademark infringement. To the second defense, it was held by the Court that the kind of educational services rendered by the two parties played no significant role in distinguishing between the two marks. As the general public would be confused

solely by the name and not by the Kind of educational services provided and as a result would associate one with the other if the matter was left unresolved. To the third defense the Court stated that once a trademark is accepted and registered within the records of the Trademark Registry, no matter from which office i.e. (there are five Trademark Registry offices in India located at Mumbai, Delhi, Kolkata, Ahmedabad and Chennai) they would be entitled for protection all over India. As a result the defense of a trademark being protected and restricted within a specific territory due to its registration office was refuted by the Pune District Court.

COPY ZENSAR AND YOU'LL BE GOING TOO FAR

ZENSAR TECHNOLOGIOES LTD Vs. INCARNATION SOFTWARE SERVICES PVT.
LTD.

In the Copyright case of *Zensar Technologies Limited vs. Incarnation Software Services Pvt. Ltd.* recently heard by the Pune District Court in the month of May, saw the Court deal in the subject of Copyright infringement. The Court passed an order of permanent injunction along with costs in the present case.

In September, 2009 it was brought to the notice of Zensar Technologies by one of its employees that the Defendant was infringing its Copyright work. The act of copying Zensar's website content was done on LinkedIn wherein Incarnation Software's LinkedIn profile page displayed the content that had been copied by them from Zensar's website. Following which Zensar immediately sent a notice on 21st September, 2010 demanding Incarnation software to cease its activities.

The Court took note of the fact that Zensar had invested a substantial amount of time, effort and money into developing the subject material displayed on its website and if the Defendant was permitted to continue infringing upon Zensar's copyrighted work then there would be grievous injury caused to Zensar which may be difficult to quantify in terms of monetary value.

INTERNATIONAL CASE NEWS:

THE LONGCHAMP BAG CASE

On the 15th of May, 2015, The Cour de cassation, France (the French Supreme Court) pronounced a Judgment in favor of Longchamp, a French bag and accessories Company for the infringement of its Copyright in the artistic work pertaining to the bag. Longchamp recently discovered that their 'Pliage (folding) bag' was being sold online by another seller without any authorization.

The Pliage bag is a one of a kind nylon bag, which can be folded to fit into a smaller bag and is claimed to be the most copied bag in the world by the Company. Its success has also led to the launch of an entire range of Pliage bags which can be personalized and are available in nylon and in leather.

The Company along with the designer of the Pliage bag filed a suit for copyright infringement against the seller in the court of first instance which was the Tribunal de Grande Instance de Paris (TGI) where their claims were rejected. The Paris Court of Appeals confirmed the lower courts judgment. It was said by the TGI that the bag was a combination of elements ordinarily used by every designer. The Court of Appeals however agreed that the Pliage bag was original and further stated that it was a combination of different elements. Although, on comparison of both the bags, the Court stated that the allegedly counterfeit bag did not infringe the company's bag.

The matter was finally heard by the French Supreme Court and it was declared that the lower Court had not taken into account Article L. 122-4 of the French IP code, which makes it illegal to reproduce fully or partially protected works without authorization of the right holder, thereby, granting the Company and the designer protection under the French Copyright Law. This case is a prime example of how the Copyright Law is developing in the modern day and how the leniency of the French courts towards the Copyright infringement did not affect the decision of the French Supreme Court.

DOES ALIBABA SERVICE THE 40 THIEVES?

Counterfeiting is a major concern in many parts of the world. On 17th May, 2015 the news first broke that Alibaba was being sued by The Kering Group for promoting sales of counterfeit goods through its platform.

Alibaba, the Chinese e-commerce company is being sued by the Paris based Kering Group, owner of luxury brands like “GUCCI” and “YVES SAINT LAURENT”. The Kering Group has alleged that Alibaba generates profits by directly or indirectly permitting counterfeit products to be sold on its platform. Search requests on the platform direct customers to other sites that sell replica products under the brand name like ‘cucci’ and ‘guchi’.

In the past Alibaba has been criticized by various groups and bodies including the American Apparel & Footwear Association (AAFA) for not tackling the issue of counterfeit sales on its platform.

Alibaba has denied these allegations and has reiterated its commitment to prevent the sales of counterfeit products through their website.

iPHONE? NO..ITS MY|PHONE

APPLE, INC. V/S SOLID BROADBAND CORPORATION

Apple Inc. recently lost a trademark opposition case in the Philippines to a local Filipino entity named Solid Broadband Corporation (SBC).

SBC sought the registration of its mark “**MY|PHONE**”. Apple Inc. contended that its “IPHONE” mark is well-known internationally and in Philippines and that the registration of “my|phone” ought to be barred as being confusingly similar thereto as per the Intellectual Property Code of Philippines.

SBC claimed that, it has used “my|phone” on mobile phones in the Philippines since 2007. SBC denied the assertion of confusing similarity between the

“my|phone” trademark and the “IPHONE” mark. It claimed that, similarity is only in the use of “phone”, a word which is generic. Hence, is not subject to any proprietary claim. SBC asserted that, “the technological giant is trying to claim more territory than what it is entitled to, to greatly prejudice the local merchant who had managed to obtain a significant foothold in the mobile phone market.”

The Bureau of Legal Affairs (Bureau) dismissed Apple Inc.’s opposition. In its decision, the Bureau opined that the similarity between the two marks does not create a likelihood of confusion among consumers because “phone” is a generic term for mobile phone products. Thus, the Bureau confined its attention only to the use of “I” and “My”. The Bureau ruled out both “I” and “My” are clearly dissimilar and there is no likelihood of confusion. The Bureau also observed by stating that, the buying public should be credited with a “modicum of intelligence and discernment in purchasing articles, such as gadgets and mobile phones”.

THE CURIOUS CASE OF KOLIN

TAIWAN KOLIN CORPORATION LTD. Vs KOLIN ELECTRONICS CO. INC

Recently on 25th March, 2015 the Supreme Court of the Republic of Philippines came across a recent judgment that has puzzled many. In the case of *Taiwan Kolin Corporation, Ltd vs. Kolin Electronics Co., Inc.* the Court had permitted the two similar trademarks in dispute to co-exist.

In this case both parties were using the mark “KOLIN” for Electronic goods. Kolin Electronics i.e. (the Respondent) in the present case had a registered trademark under the name KOLIN and Taiwan Kolin Corporation i.e. (the Petitioner) had approached the authorities for registration of its mark.

The Philippine Supreme Court applied an unorthodox solution for dealing with the present case by stating that the Courts should not simply decide the matter of similarity between two trademarks based on the straight jacket rules and classifications. The Philippine Supreme Court explicitly stated “*Just because goods fall in the same class does not mean they are related*” thus possibly opening a wide door for pirating activity.

The basis of the Supreme Court's decision to allow both marks to stay in the Register was because Taiwan Kolin Corporation manufactures Televisions and DVD players that are audio-visual equipment's, whereas Kolin Electronics produces devices for controlling the distribution and use of electricity. On the basis of these findings the Court held that though both the Products are Electronic Goods they are completely different and they simply complement each other. The secondary basis for differentiation between the marks by the Supreme Court was that although both competing marks used the word "KOLIN" written in upper case letters, and in bold font, the Court noted that "Kolin Electronics" trademark was italicized and colored black while that of "Taiwan Kolin" was white in a pantone red color background. These differences were enough to differentiate between the two Trademarks as per the Philippine Supreme Court.

What was interesting to note in the judgment, was that the test of Phonetic similarity between the two trademarks was not applied by the Supreme Court in order to decide the case.

**TO BELIEVE OR NOT TO BELIEVE THAT IS THE
QUESTION**

COMMIL USA, LLC vs CISCO SYSTEMS INC.

On May 26, 2015 the **United States Court of Appeals for the Federal Circuit** held that a Defendant's belief regarding patent validity is not a defense to an induced infringement claim in the case of *Commil USA, LLC vs. Cisco Systems, Inc.* The Court dismissed Cisco's defense of good-faith and the case is presently remanded for further proceedings.

In the present case Commil i.e. the Plaintiff, held a patent for a method of implementing short-range wireless networks. Cisco i.e. the Defendant, a company engaged in the same line of trade as the Plaintiff. In 2007 Commil had sued Cisco in the United States District Court for the Eastern District of Texas for infringing its patent by making and using network equipment and inducing others to infringe its patent. The Court held that Cisco was liable for patent infringement and awarded Commil damages to the tune of \$3.7 million.

However in the issue of induced infringement i.e. (whereby an individual who actively **encourages infringement** of a patent is liable as an infringer) the Court found no reason to implicate Cisco. Thereafter Commil filed a motion for a new trial on the charges for induced infringement which was accepted by the Court. Before the new trial for induced infringement began, Cisco had submitted an application to the USPTO for re-examination of Commil's patent. The USPTO returned declaring the patent valid.

At the beginning of the second suit, Cisco submitted the defense that its actions were committed on the strong good-faith belief that Commil's patent was invalid and had even attempted to introduce evidence to support its defense; however the Court considered it to be inadmissible. The United States Court held that merely taking a good-faith defense or having a strong belief does not absolve anyone from an act committed in violation of law. If Cisco had genuinely believed that the Plaintiff's patent was invalid, there were several methods to obtain a determination regarding a patent's validity, such as:

- a) By applying for a declaratory judgment.
- b) By seeking for an *inter partes* review at the USPTO; or
- c) Seeking an *ex parte* reexamination of the patent by the USPTO.

However Cisco directly proceeded with its action of infringing upon Commil's patent and had even induced others to do the same based on a good-faith belief.

The Court referred to *Cheek vs. United States*, 498 U.S. 192, 199 (1991) wherein the defense was "I thought it was legal" and terming Cisco's defense as the same and thus dismissing their defense in the present case and re-affirming that good-faith is no defense in patent infringement.